



3 DEVELOPMENT GUIDE FRAMEWORK

Framework for Recommendations

The Office of Planning’s role in guiding growth in the Study Area includes researching and recommending land use policies, providing professional guidance to the Board of Zoning Adjustment and Zoning Commission on all cases requesting a zoning change or variance, working with developers submitting Planned Unit Developments, reviewing all permits for work on historic landmarks or properties located in historic districts, and coordinating with other agencies to ensure that their capital projects and work programs are consistent with

neighborhood plans. In these capacities, the Office of Planning intends to preserve and enhance the quality of life for all residents living in the Study Area. This section defines the principals guiding the recommendations for residential and retail development in the Study Area. It also reviews the strategies and tools that the community and the District have for implementing these recommendations.

The Study Area is a section of the District that is currently attracting new residents, includes many threatened affordable housing units, and is underserved by retail. With the private market already

active in this area, the District needs to ensure that new development is consistent with the goals it establishes for this area, addresses issues facing the community, and is guided as much as possible to locations where it is most suitable and attractive to residents and the District. The District must also make sure that municipal programs best suited to address the challenges facing this area are in place and made available for this area, and that public property is being used to its greatest benefit for the community. This development guide establishes principles to guide residential, retail development, and changes to the public realm, as well as instruct municipal agencies when they prioritize programs and capital budgets.

GOAL: Maintain a diverse housing stock with a range of affordability, enhance the variety and appearance of retail areas, and ensure that properties, facilities, and right-of-way maintained by the District are used to their greatest benefit.

Residential

Without guidance or goals for new residential development, a housing market responding to the private sector only would likely result in the loss of affordable housing and lost opportunities for strategic growth. With current housing and land costs high, the cost for providing affordable housing is greater than other parts of the District. To address this goal, there are six over-riding principles guiding recommendations for dense residential development that can support affordable units, but protect the character of low-density residential areas nearby:

- Maintain or increase existing number of affordable housing units.
- Locate multi-unit buildings in areas already zoned for greater density;
- Concentrate multi-unit buildings in areas with good access to mass transit;
- Identify publicly-owned sites that have the potential to include affordable housing;
- Maximize development opportunities on sites suitable for multiple-unit buildings; and,
- Reinforce existing patterns of residential development.

Retail

Retail development needs to locate where it will best serve residents and create the best environment for businesses to succeed. As new retail and businesses join those already existing in the community, they should do so in locations appropriate for the neighborhood and that respond to current market conditions. Concentrating shops in areas so that businesses can build off of each other’s clients, allowing residents to take care of multiple errands in a small area, and reinforcing a sense of community that is distinct to the neighborhood are desired goals. Maintaining a healthy mix of businesses that offer a variety of goods and services, includes local businesses and national chain stores, creates a safe environment, and providing an attractive and safe environment for heritage tourism and visitors are also priorities. There are five principles guiding recommendations for locating retail:

- Concentrate ground floor retail in locations that reinforce a traditional “main street” pattern of commercial development and creates a unified identity for the community;
- Establish a hierarchy of retail that includes primary and secondary commercial areas, as well as corner stores;
- Locate retail in areas already zoned for commercial development;
- Develop a retail corridor that will attract convention goers, tourists and residents from other parts of the DC metropolitan area; and,
- Create a successful retail environment that includes mixed-use developments with old and new businesses.

Public Realm

The streets, parks and other open spaces in the Study Area are what visually and functionally connect the neighborhood. Design of open spaces should be conducive to the types of activities that promote community, attract visitors, and address multiple needs. Any development impacting open space will need to be consistent with goals for neighborhood recreation facilities and open space, that will be defined in the Department of Parks and Recreation’s Agency Master Plan (to be completed in 2006). There are three principles guiding recommendations for the public realm:

- Reinforce a clear street hierarchy that differentiates between residential streets and commercial streets;
- Reinforce and strengthen parks and open space and the connections between them; and,
- Accommodate additional recreational activities in existing parks and recreation centers.



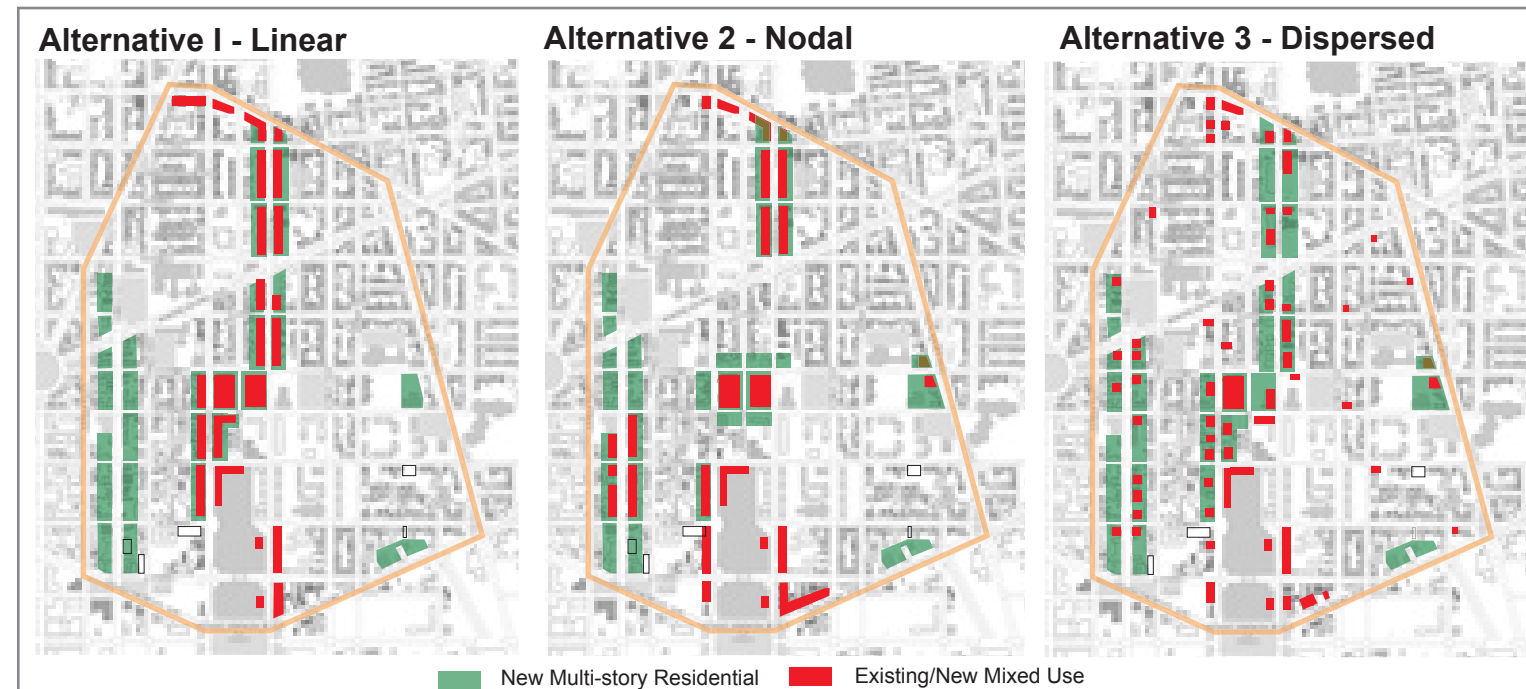
CONVENTION CENTER AREA STRATEGIC DEVELOPMENT PLAN

Strategic Framework Plan

The preferred alternative for guiding the future of this area takes these principles and applies them to the neighborhood. It also reflects comments received from the community, as well as the

comprehensive plan, zoning, historic preservation, and existing conditions. Community comments were based on three concepts for guiding development discussed at multiple community meet-

ings throughout the planning process. The preferred alternative incorporates elements from each of the alternatives. Specific recommendations are included in the Development Guide in Chapter 4.



Significant Features

- Concentrates commercial and multi-family residential development on 7th and 9th streets.
- Reinforces residential character of the Study Area.
- Creates opportunity for a continuous commercial corridor along 7th and 9th streets.
- Unifies neighborhood with linear connection between Convention Center, Uptown Destination District and U Street.

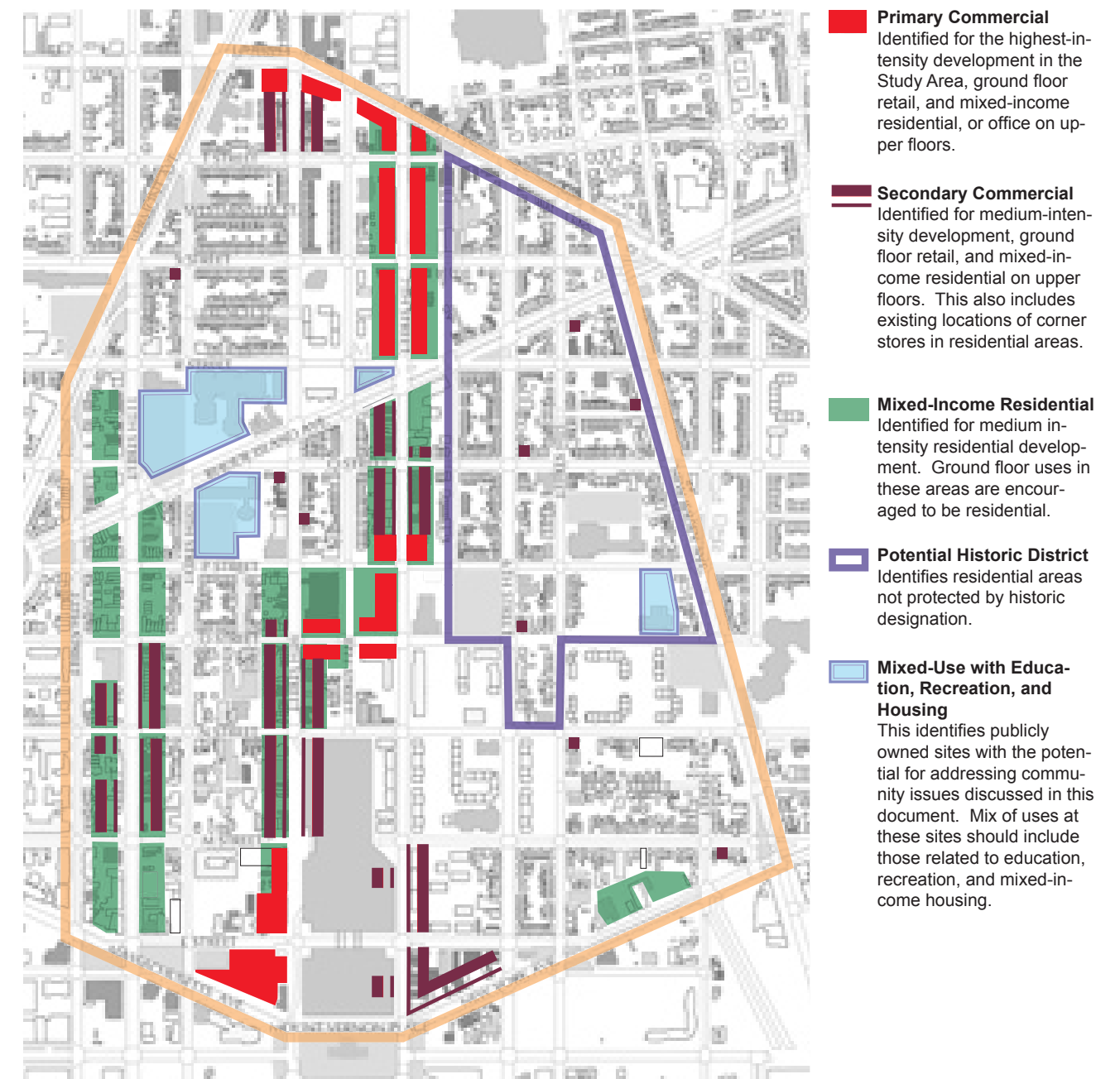
Significant Features

- Concentrates commercial uses and multi-family residential development at Metro stations and neighborhood centers.
- Creates opportunity sites in underdeveloped areas.
- Concentrates activity in neighborhood centers and destination commercial nodes.
- Varied experience for pedestrians between Convention Center and U Street.

Significant Features

- Locates commercial uses and multi-family residential development throughout study area.
- Reinforces distinct neighborhoods within the Study Area.
- Concentrates development at key sites throughout the Study Area.
- Minimal changes to existing distribution of commercial uses.

Preferred Alternative





Tools for Implementation

The Convention Center Area Strategic Development Plan both guides future development and is action oriented. While much of the neighborhood will be shaped by private development, the city has regulations and programs that can help guide development to meet the goals discussed here.

Realizing the most efficient use of District controlled properties is also important for allowing the District to be pro-active in addressing neighborhood issues. Development projects will have challenges and opportunities that will vary based on specific site conditions and municipal regulations - no one program or initiative will address the goals of this plan. The programs listed here are identified as the primary strategies for achieving the community's goals for retail and residential development.

Residential

Since the market place has begun to attract middle- and upper-income housing to the neighborhood - a trend that is expected to continue - the tools listed here focus on ways to protect and encourage the development of affordable housing. These tools will be most effective and produce the best results through the collaborative efforts of residents, municipal government, non-profit organizations, and developers.

Tenant Organization and Public Education

The first step in protecting affordable housing in a building with a Section 8 contract is organizing a tenant association and being knowledgeable about tenants rights. By acting together, residents are in a better position to purchase their building, challenge rent increases, or negotiate with a building owner or developer. There are non-profit, community, municipal agencies, and private groups who work with tenant associations and can provide organization, legal, and development assistance. The *Tenant Survival Guide*, published by Harrison Institutes for Public Law, provides a comprehensive overview of current regulations, government programs, and tenants right. Manna, CDC, a local non-profit organization located in Shaw, has received over \$440,000 in two grants from DHCD to work with tenants in Shaw, specifically those receiving Section 8 vouchers with expiring contracts to help them organize and

assess their options for either purchasing the building or finding alternative housing. The District's Department of Housing and Community Development and Housing Finance Agency have a number of programs that residents can take advantage of, but being focused on goals, clear on the actions residents want to take, and specific in requests for assistance is the first step necessary to take advantage of these programs.

Inclusionary Zoning

Inclusionary Zoning is a technique used to create mixed-income communities. In its basic form, it requires that each new housing development make a certain percentage of units affordable to a specific income range. The Office of Planning maintains a voluntary Inclusionary Zoning policy as part of the PUD review process. However, it is in the process of completing a study that will better define the amount of, and at what levels of affordability, it will use as a standard to include in future projects. The study will also make recommendations for possible ways to expand Inclusionary Zoning other than solely through a PUD. Final recommendations from this study will be released in Spring 2005.

Taking Full Advantage of Publicly Owned Land

Municipal ownership of land allows the District to exert greater control over its development. Publicly owned land is typically developed after the District issues a Request For Proposal (RFP) with a desired program for the site. For District owned sites that include residential development, typically 20-30% of the total units are made available at affordable rents or sale prices. Any specific development on municipally owned land in the project area would include additional community participation. In the Study Area, large sites for development are scarce, but there are several publicly owned sites in areas designated for medium-density residential development. This development guide includes an evaluation of these sites and makes development recommendations based on their highest and best use.

Tax Abatements for New Residential Development

The Tax Abatement for New Residential Development Program, included in the Housing Act of 2002, provides incentives for developers to build new affordable, mixed-income housing in high-cost areas of the District. In eligible areas, including the entire Study Area, developers can receive tax abatements on residential

real property tax if their development includes 10 or more units of affordable housing and provides the required number of affordable units at required levels of affordability. The tax abatement will be paid for ten years; affordable housing units must be maintained for 20 years.

There are two levels of abatement, the abatement increasing with the greater number of affordable units provided. Seventy-five (75%) percent of the residential real property tax can be abated if:

- a) 5% of the total number of units are made available to households earning between 50 to 80% of the Area Median Income (AMI); and,
- b) 10% of the units are made available to households earning less than 60% AMI.

One-hundred (100%) percent can be abated if:

- a) 5% of the total number of units are made available to households earning between 50 to 80% of the Area Median Income (AMI); and,
- b) 10% of the units are made available to households earning less than 60% AMI; and,
- c) 5% of the units are made available to household earning less than 30% AMI.

This abatement can be used by anyone developing housing, including private developers or non-profits. It can also be used in combination with other District programs for affordable housing to make deeper levels of affordability financially practical.

Public-Private Partnerships

Public-private partnerships are contractual arrangements between public and private entities to deliver a service or build a facility. This type of arrangement is a useful development tool for governments with budget limitations by leveraging publicly owned assets to provide the capital needed for construction of facilities. A public-private partnership was used to build the Oyster School, the first new school building in the District in over



CONVENTION CENTER AREA STRATEGIC DEVELOPMENT PLAN

20 years. It is considered a national model for public-private partnerships. By working with a private real estate development company, the District of Columbia Public Schools was able to build a state-of-the-art facility with a modern computer lab, gym and library. The developer who built the school benefited by constructing an apartment building on part of the school site. In this case the public benefit was a new school, but the specific benefits for each public-private partnership needs to be tailored to the community the project is in and can include a wide range of building types or services.

Benefits could include affordable housing. They could also include a civic facility like a library, performing arts center, public school, or recreational amenity like a roller/ice rink or bowling alley. To make the development attractive to a private investor, there is often a commercial component included in the project, such as market rate retail space or housing.

Zoning and Planned Unit Developments

Traditional zoning is not typically used to provide affordable housing, but it is the most direct role that the Office of Planning has to influence developers.

Applicants seeking relief from existing zoning regulations or a change in the existing zoning must submit their request to the Board of Zoning Adjustment (BZA) or the Zoning Commission (ZC). The BZA hears cases in which the applicant requests that one or more of the requirements stipulated in the underlying zone be waived. The ZC hears cases in which the applicant requests that the zoning for a particular site be changed; it also hears cases being developed as a Planned Unit Development and reviews all campus plans. The Office of Planning reviews all Board of Zoning Adjustment and Zoning Commission cases, often discussing cases with applicants prior to their formal hearing. When it meets with applicants, OP can review the District's goals for the community, make sure the zoning change is consistent with plans for the area, and encourage them to take advantage of incentives for including affordable housing.

A Planned Unit Development (PUD) zoning procedure is intended to achieve development and public benefits that are superior to those that would result from "matter-of-right"

projects. The process allows greater density and height in exchange for equivalent public benefits such as affordable housing.

Transit Oriented Development (TOD)

TOD is development concentrated around and oriented toward transit stations – either MetroRail stations or major bus stops – and is designed to promote transit-riding. The increased density typical in transit areas is an ideal location for a Planned Unit Development or other development large enough to support affordable housing. The more intense focus at the core of a transit-area provides greater opportunity for more housing units of various types and sizes, allowing some to be offered at lower prices and maintaining the housing diversity of the Study Area. Due to the cost of housing and land in the Study Area, realizing greater density of development makes it more financially practical to build affordable housing.

Other District Housing Programs

The Department of Housing and Community Development and the Housing Finance Agency administer housing programs including First-Right-to-Purchase, Federal Section 8 program, Single Family Residential Rehabilitation Program, Housing Trust Fund, and DHCDs NOFA process to access funding. While these District programs are not under the purview of the Office of Planning, it does coordinate with the agencies that are and encourages their use in the Study Area when appropriate. A complete list of housing programs maintained by the District is included in the Appendix.

Retail and Business Development

There is strong potential for a vibrant and active retail environment in the Study Area. The tools listed here are intended to help define priority areas for businesses to locate and to support local and small businesses, a critical component to retaining diverse retail and a distinct local character. A more extensive, annotated list of programs available for local businesses can be found in the Appendix.

Zoning

This is the primary tool available to the Office of Planning that would impact the development of retail in the Study Area. The District currently maintains one zoning district - the Uptown Arts-Mixed Use Overlay District - that requires ground floor retail. Part

of the Study Area north of Rhode Island Avenue lies within this district, but not other retail areas. This overlay can be complicated because it addresses many issues in addition to retail requirements. A simplified overlay requiring ground floor retail with minimum 14' ceiling heights, design requirements for display windows, and standards for locating building entrances and storefront widths would encourage well-designed retail in desired locations. It would also ensure that new construction would be of a design and character that is compatible with the community's vision for the future.

Public-Private Partnerships

As described on page 26, this type of arrangement is useful for governments with budget limitations or that do not have the resources to provide specific services or facilities for their constituencies. Public benefits for a development project in a commercial area could be linked to retail or business development, such as including a type of retail desired by the community, incubator space for local businesses, or exceptional design of retail space. Specific benefits for each public-private partnership need to be tailored to the community and the project.

reSTORE DC

This program, administered by the Office of the Deputy Mayor for Planning and Economic Development, helps revitalize neighborhood business districts and small businesses by assisting in the organization, design, promotion, and economic restructuring of commercial areas. It administers two grant programs, the Commercial District Technical Assistance Program (CD-TAP) and the Commercial Property Acquisition and Development Program (CP-A&D). CD-TAP provides assistance and funding to non-profit organizations to support commercial revitalization. Projects such as financial planning, organizational development, market analysis, streetscape design, and parking and traffic analysis and management are eligible under this program. The CP-A&D Grant Program provides grant funds for non-profit corporations to support the retention, expansion, and recruitment of local retail businesses and the improvement of commercial properties and business districts in the District through acquisition, development and reuse of commercial properties.



Shaw Main Streets, a local organization working to revitalize the 7th and 9th street corridors, is one of eleven Main Street programs in the District participating in reSTORE DC's *DC Main Streets* program. DC Main Streets provides five years of comprehensive technical and financial assistance to local Main Street groups. Local volunteers and community groups worked together to organize Shaw Main Streets, which is actively working to promote the area as a retail corridor, protect and enhance local businesses, and improve the design of storefronts and quality of the retail environment.

Facade Improvement Programs

There are several sources of public financing to help businesses make improvements to facades of commercial buildings. The Department of Housing and Community Development's (DHCD) Community Development Block Grants (CDBG) program is one source. In 2004 DHCD identified the 7th and 9th Street corridors in the Study Area as preferred locations for façade improvement grant applicants. The Latino Economic Development Corporation's (LEDC) Retail Storefront Loan Program is another source that targets existing retail business owners operating in Washington, DC, who want to upgrade or renovate their façade or business storefront signage. Under this program, loans are offered at prime interest rate, there are no processing fees, and LEDC provides flexible collateral and credit requirements. This program is funded by a grant from reSTORE DC.

The Enhanced Business Information Center (e-BIC)

e-BIC provides the Washington metropolitan area with business planning tools, free on-site resources, staff, training courses and workshops to help entrepreneurs start, grow and expand their business. Located at the King Memorial Library, it features a state-of-the-art video conference room, computer terminals, a business information resource library, and reading room. e-BIC also organizes an active series of business seminars to support entrepreneurs and small business owners. e-BIC enables the District of Columbia Government, the District of Columbia Public Library and the US Small Business Administration to work collectively in providing cutting edge programs and services to foster growth and development of local entrepreneurs.

US Small Business Administration's (SBA) 504 Loan Program

This program provides growing businesses with long-term, fixed-rate financing for major fixed assets, such as land and buildings. Advantages to businesses include:

- A down payment as low as 10%, which does not eat into a business' working capital; and,
- A repayment period as long as 20 years, which allows the business plenty of time to pay back the loan; and,
- An extremely competitive fixed interest rate.

To help business people take advantage of the 504 Loan Program, DC's Enhanced Business Information Center (e-BIC) sponsors monthly sessions with the SBA and a Certified Development Company, Virginia Asset, that explain the advantages of the 504 loan and that walk potential borrowers through the loan process.

Other District Retail Programs

The District administers a number of programs that offer small business support, such as Georgia Avenue Business Resource Center and the Small Business Development Center Network. These District programs are available to all residents and businesses located in the District. More on these and other programs can be found in the Appendix.

